

ACE Business Office

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# Trade Quota Webinar



June 28, 2016



U.S. Customs and  
Border Protection

# Agenda

1. Introduction
2. Single Window Implementation via ACE
3. Benefits of Quota in ACE
4. Quota Transition Plan
5. Primary Changes to Quota
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  - Rules for Opening Moment Filing
  - Pre-allocation Review
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7. Quota Reports and Tools
8. CATAIR Updates
9. Final Comments and Q&A

# Introduction and Primary Changes to Quota

**Brian Lewandowski**

Product Owner

Quota, Drawback, & ACE Reports

ABO, OT



# Single Window Implementation via ACE

**May 20, 2015**

Functionality for Nov. 1 delivered to CERT environment for trade testing

**August 2015**

Begin rollout of PGA pilot

**March 31, 2016**

Must be filed in ACE:

- Electronic entry summaries (Types 01, 03, 11, 23, 51, and 52) without PGA data
- Electronic entries/entry summaries with APHIS Lacey Act and NHTSA data

**July 23, 2016**

Deployment and mandatory ACE filing:

- Electronic entry (Types 02, 07, 12, 21, 22) Electronic entry summary (Types 02, 07, 12, 21, 22, 31, 32, 34, 38)

**October 1, 2016**

ACE mandatory for all remaining electronic portions of the CBP cargo process

2015

2016

**May 1, 2015**

ACE mandatory for all electronic manifest filings

**November 1, 2015**

Transition period begins: ACE filing of electronic entry and associated entry summary types 01, 03, 06, 11, 23, 51, 52 with or without PGA data is encouraged

**February 28, 2016**

CBP will start divesting the legacy Automated Commercial System (ACS)

**May 28, 2016**

Must be filed in ACE:

- Electronic entries (Types 01, 03, 11, 23, and 52)
- Type 06 electronic entry and entry summaries without PGA data, except APHIS Lacey Act and NHTSA

**August 27, 2016**

Mandatory use of ACE for Protest

**TBD 2016**

ACE mandatory for remaining electronic PGA data



U.S. Customs and Border Protection

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[www.cbp.gov/acemandatorydates](http://www.cbp.gov/acemandatorydates)



# Benefits of Quota in ACE



## Automated Processing

- Over 90% of all current quotas will automatically be processed
- The remaining 10% are trade service requests, allocation/timing issues, protests, and complex quota scenarios, including Tuna



## System Validations ensure

- Line is subject to quota
- Remaining quota is sufficient
- Entry type, HTS, C/O combinations
- Proper conversions
- If quota is banned, filled, or quota period is open/closed

# Quota Transition Plan

## July 2016

Wednesday	Friday	Saturday	Monday-Friday
20 <sup>th</sup>	22 <sup>nd</sup>	23 <sup>rd</sup>	25 <sup>th</sup> -29 <sup>th</sup>
Last day for Trade to submit non-ABI quota transactions	Last day for Trade to submit ABI quota transactions	ACE quota go-live date	CBP will input quota lines in ACE that were not input into ACS prior to cutover

Note: The Commodity Graph Report will be posted to CBP.gov on Friday 22 July, rather than the usual Monday posting.

### Next Opening Moments

- October 3, 2016, 12pm EST: Sugar Opening Moment
- January 2, 2017, 12pm EST: Tuna Opening Moment

# Filing Quota as Certified from Summary

## Filing Quota as Certified from Summary:

- For cargo consumption entries only
- Cargo/PGA data processed independently of summary, including rejects for cargo
- Certified from Summary ensures quota eligibility
- Trade cannot file Cargo Entry without Certified from Summary
- Warehouse withdrawals are summary only, no Cargo Entry, and are not Certified from Summary

# Determining Presentation Date

Time of presentation refers to the time of physical delivery, in proper form, of either an entry summary, entry/entry summary (“LIVE”) or warehouse withdrawal for consumption with duties attached or scheduled for payment of duties via the Automated Clearinghouse (ACH).

**Quota module will utilize the following items to determine the presentation date:**

- Arrival of goods date
- Date of Entry Summary
- Date which Entry Summary was scheduled or paid date if not scheduled for statement

**The latter of the three dates will be the presentation date**

**For entry summaries that use a warehouse withdrawal entry type the presentation date will be derived using the following criteria:**

- Date Entry Summary was transmitted
- Date in which payment is scheduled or paid

**The latter of these two dates will be used as the presentation date**





# Filing 01 vs 02 Entries when a Quota has Filled

Quota entries will be filed as entry type 02 until the quota is filled

If a quota has filled, the trade user will receive a message notifying them that the quota lower rate has filled

This will mean that filers must submit further entries during the quota period as entry type 01 at the high rate

There are no high rate quota records once a quota has filled, as there is no need for Trade or CBP to process goods as quota if they use the high rate

Trade can use the high rate at any time if they choose (with the exception of Tuna)

# Primary Changes to Quota and Policy Resources

**John Raymer**  
Trade Specialist,  
Quota Enforcement Branch, OT

# Rules for Opening Moment

Special date filtering rules apply to quotas that are in high demand and expected to oversubscribe

- Apportioning / proration % will be calculated based on all of the filings between 12:00am (local) and 12:00pm (EST).
  - The proration % is equally applied to each filer
  - Proration rate = [quota quantity remaining / total quota requested]

Presentation Date	Outcome of Request	Notes
Before 12:00am (local) date of opening moment	Rejected	
Between 12:00am (local) 12:00pm (EST) date of opening moment	Accepted	These requests will then be prorated if the sum of the requested quantities during this timeframe is greater than the quota limit
After 12:00pm (EST) date quota begins	Accepted if quota has not filled; rejected if quota is full	Accepted requests will be allocated

# Pre-allocation Review



CBP will be replacing the paper preliminary review with a pre-allocation review



Pre-allocation Review will provide 72 hours after opening moment for the redress of any concerns prior to allocation



CBP will work collaboratively with any filers that make a good faith effort to transmit data

# Policy Resources Available

## CBP.Gov Quota Page

- <https://www.cbp.gov/trade/quota>

## CBP.Gov Directives

- <https://www.cbp.gov/trade/rulings/directives-handbooks>

## ACE Entry Summary Business Process

- <https://www.cbp.gov/document/guides/ace-entry-summary-business-process>

## Part 132 – Quotas of the Title 19 e-CFR

- <http://www.ecfr.gov/>

# Quota Reports and Tools CATAIR Updates

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# Quota Reports and Tools

- Quota Queries
- Commodity Graph Report
- Points of Contact at the Port

## CATAIR Updates

- Quota specific notifications
  - Found at - <https://www.cbp.gov/document/guidance/ace-entry-summary-status-notification-future-use-version-11>

# Final Comments and Q&A

